

at home and around the world than ever before. That's why I think it's important that we not blow this surplus we waited 30 years to produce until we have fundamentally secured the challenge of the aging of America by doing something about Social Security and Medicare. It's why I think it's important that we not, while the economy is rocking along very well, pass a tax cut that would undermine our ability to meet our commitments in education, the environment, biomedical research, and other areas. I think that's very important.

But I also think we need to be thinking about those fundamental things in society that have not fully incorporated what most of you have done very well doing, which is riding the wave of the information revolution. We have, thanks to the Vice President, done our best to have good policies, whether it was in the Telecommunications Act or a lot of other specific issues, some of which Senator Kerry mentioned, or just doing no harm. And we've been able to, far more than ever before, maximize the use of information technology and Government, which is why we now have the smallest Government we've had since 1963. But if you really think about it, we should not be satisfied with where we are. And I'll just give you a few examples.

In education, we finally have test scores turned around, not only in mathematics and science but also in reading, which is really quite an important achievement, since so many of our children do not have English as their first language. But no one seriously believes we have the best system of elementary and secondary education in the world. And we have all this diversity in our country. How can we use technology to lift the level of all education?

I'll give you another example. We have now, as you all probably have seen, I think we have reached the benefit, the limit of the benefits that traditional management can bring in moderating inflation and health care costs. When I became President, health care was rising at 3 times the rate of inflation and people were dropping coverage dramatically. Now, unfortunately, that's continued to happen. But one of the reasons that there's this intense debate in Washington over the Patients' Bill of Rights is that so many people,

including a lot of health care professionals, believe that we have reached the limit which you can get management-related—traditional, management-related savings out of health care without eroding the quality of care.

What can we do to maximize the impact of all the things that we do to make the health care system work better and extend coverage to more people? I'll give you a third example. Someone told me in Silicon Valley one day that people in high tech businesses work 3 to 9 times faster than people in normal businesses do, and Government worked 3 to 9 times slower, and therefore, the marriage was impossible, which I thought is an interesting observation and painfully accurate from time to time.

What can we do, what still is out there that we should be doing that makes Government more responsive, more accessible to people? And then the two that I'm particularly interested in: How can we use technology to bring economic opportunity to people in places that are not part of this recovery in the United States; and how can we use it—or can we use it to help people bridge a whole generation of economic development around the world?

Ron Dozoretz and I have talked a lot about what could be done, for example, for the Indian reservations. We were in Appalachia; we were in the Mississippi Delta—a lot of the places that are still poor are not in inner-city neighborhoods; a lot of places are literally, physically—[inaudible]—from mainstream American economic life. And I'm convinced that if we can't figure out ways to bring opportunity to these places now, we will never get around to it because of the high performance of our economy generally and because it's really an opportunity for investors to go into places where there's a lot of labor, a lot of willing labor, and the cost of doing business is modest.

It seems to me that while what we've done with the empowerment zones, under the leadership of the Vice President, and what I propose that the Congress adopt, which is essentially to give the same set of financial incentives to people who invest in poor areas in America we give them to invest in the Caribbean or Latin America or Africa or Asia,

is a good start. But I think there has got to be, at least for those people that are physically isolated, some thought to how technology can be used to trigger the infusion of economic opportunity and, therefore, the inclusion of those people into the mainstream of American economic life.

And finally, politics, which has already been mentioned by Senator Kerry—it seems to me that there is, on the one hand, this sort of exponential increase in the cost of running campaigns, because we try to—because of the cost of communication. Let's not kid—and if you look at the cost of the campaigns as compared with the size of the Federal budget, for example, it doesn't look like such a big, carrying cost. But it's an enormous burden for people who have to go out and raise the money and spend the money. And basically we're communicating with each other in traditional ways. Most of the costs of the campaign today comes from television and mail, and in some places a lot of money is spent on radio and occasionally, depending on what the communications are, on newspaper advertising. But most of it's TV and mail.

Increasingly, we see these breathtaking stories of people just opening a web page for a given cause and all of a sudden having 200,000, 300,000, 400,000 people within a matter of weeks signing on and going forward. Is there some way to use the Internet to further democratize politics, to energize more people to participate, to energize more people to contribute at modest levels, and to lower the relative cost of reaching voters or increase the relative impact of voter reach?

Because if you think about it—like when we run TV ads, there's a reason that an ad on the Super Bowl costs so much money. And that is that more people are watching it than now watch the evening news on the networks combined because they have so many other options. As the television audiences become more dispersed, I think you will see more sophisticated use of mail to identify, at least, people you think you can reach. And that's good, but is there some way we can use this both to broaden the base of contributors at modest levels but also to increase the relative effectiveness or de-

crease the relative costs of reaching people, so that people feel like they're participating in the democracy and so that more people have a chance to participate in ways that will make all of us feel better about the way we conduct our democracy as we go toward the next century?

So these are things that I think about a lot. And I think, you know, meeting the challenge of the aging of America is a big deal. I think meeting the challenge of education is a big deal.

I'll give you one more example. America's got the lowest crime rate in 26 years. I think that's a very good thing. And it's easy to lose that when we have these gripping, horrible incidents like we had in Atlanta or the horrible thing in Littleton, Colorado. But why shouldn't we be the safest big country in the world? I mean, if we have the most powerful technology base in the world, we can figure out how to solve any other problem. Why can't we think of a way to organize ourselves that would make us the safest big country? Why shouldn't that be—why shouldn't we have a big goal that is—and bring to bear all these things.

Nothing is—I agree with John, I think that 50, 60, 70 years from now, when people look back and write the history of this era, they will conclude that this was a bigger deal than the industrial revolution, that this sort of had the combined impact of the industrial revolution and the printing press, which produced the Gutenberg Bible, and that it was just breathtaking. Now, what we who are living through this ought to do—in addition to those of you who are good enough to profit from it and contribute to our economy and make our society stronger and hire people and do all the good things you're doing—we ought to say, if this is profoundly changing the way we work and the way we live and the way we relate to each other, by definition it ought to be able to be effective in helping us meet society's biggest challenges, including those I outlined tonight.

So I'm very interested in it. I thank you for your presence here. And I am all ears.

Thank you very much.

NOTE: The President spoke at 7:35 p.m. at a private residence. In his remarks, he referred to dinner hosts Senator John F. Kerry and his wife,

Theresa; and Ron Dozoretz, founder, FHC Health Systems.

Opening Remarks to the National Welfare to Work Forum in Chicago, Illinois

August 3, 1999

Thank you so much. Ladies and gentlemen, thank you for the warm, wonderful welcome when I came in. Mr. Mayor, thank you for your friendship and your leadership. Chicago is a beautiful, beautiful city, and it works.

I think I should simply begin by thanking the people of this city and this State for being so good to me and to Hillary and to Al and Tipper Gore and to our administration, and for setting an example of what we can do to make America work. I'm also kind of getting used to seeing all these pretty cows all over the place here. *[Laughter]* I was trying to think of what animals I could start putting all over the White House lawn when I get back, to follow the mayor's lead. *[Laughter]*

I would like to say that Governor Ryan and Governor Thompson were here earlier. I thank them for coming by. I thank Governor Carper of Delaware for being here. Mayor Webb, Mayor Helmke, Mayor Morial, Mayor O'Neill. I thank Secretary Herman, our Secretary of Labor; Secretary of Transportation Slater; and Secretary Bill Daley, another native of this great city, for his work at Commerce; and Small Business Administrator Aida Alvarez.

Secretary Shalala, our HHS Secretary, has been heavily involved in this. She's not here today, but I want to thank Olivia Golden and Al Collins for being here. And most of all, I want to thank the leaders of this remarkable business partnership, my good friend Eli Segal, who is the best startup person in the world.

Many of you know this, but when I became President, I asked Eli to head our national service program, AmeriCorps. And we got it through the Congress, and in 4 years, AmeriCorps had 100,000 young people serving in our communities, earning money to go to school, a goal that took the Peace Corps 20 years to reach.

So, I thought, "Well, we need to get more employers involved in hiring people from welfare to work. I'll ask Eli to do it. Then I won't even have to think about it anymore." *[Laughter]* And so Eli got Gerry Greenwald and Paul Clayton, Robert Shapiro, Bill Esrey, and Jim Kelly, and they started—with five. And I said—then there were 5,000. And I said, "But we need 10,000." And now there are 12,000. I think if I told them we needed 25,000, next year we'd have 30,000 employers here. And I thank him so much.

And I want to thank Gerry especially for chairing our efforts. I understand he runs an airline company in his off hours—*[laughter]*—but I think most of the time, he's spent on this project in the last few years.

Six and a half years ago I asked the American people to join me on a crusade to transform our system of welfare into a system of work; to transform a system of dependence into a system of independence; to prove that poor people could succeed, at the same time, at work and in raising their children; to bring a whole generation of Americans into the mainstream of our life.

Now you see the signs of the transformation everywhere: Inner city buses that used to be empty at rush hour are packed; tax preparation services are moving into abandoned storefronts, helping former welfare recipients fill out the first tax forms of their lives. There are more subtle changes: mothers collecting their mail with a little more pride because they know they'll see a bank statement, not a welfare check; children going to school with their heads held a little higher.

It's difficult to remember that, 7 years ago, our country was largely out of work and out of ideas. Our economy was stagnant, burdened with a crushing debt and soaring deficits, high interest rates and high unemployment. But so was our political debate. For some, the welfare system was our last line of defense against abject poverty. To others, it was exhibit A of America's decline.

Clearly, it had become a system that undermined our cherished values of work and family. When I was a Governor, a job I had for a dozen years before you were kind enough to give me this one, I had the chance

to actually go to welfare offices, talk to case-workers, talk to recipients, watch people check in. I spent hours, over a period of years, talking to welfare recipients, asking them, what would it take to make the system work for them, and listening to them tell me all the manifold ways in which welfare discouraged work and independence.

I asked the American people to change course, to restore with all of our people the fundamental bargain that we ought to have opportunity for all in return for responsibility from all our citizens, and to include everyone in America's community.

Today, the bargain is being fulfilled, and our country is working again. We have the longest peacetime expansion in history, nearly 19 million new jobs; the lowest unemployment in a generation; the lowest minority unemployment ever recorded; the highest homeownership in history. From a deficit of \$290 billion, we are moving to a surplus of \$99 billion. And this year alone we will pay \$85 billion on our national debt.

And a big part of this is the decision the American people, through their elected Representatives, made to end welfare as we know it. We raised the minimum wage and passed the earned-income tax credit, which says to working families: If you work full-time, you shouldn't have to raise your children in poverty. We gave 43 waivers to States to launch their own welfare reform efforts when I took office. And then in 1996, as has already been said, a big bipartisan majority, big majorities of both parties and both Houses reached across the divide to pass this welfare reform bill.

We recognize that in addition to requiring able-bodied people to work within a certain period of time, millions of people who had never known anything but dependency, who had never even seen, many of them, their own parents have a job, could not make the transition on their own or easily. So we made sure there was extra support for child care, for transportation, for housing, and we kept the national guarantee—after two vetoes, but we kept the national guarantee of medical care and nutrition for the children of people on welfare and for those moving off.

We also provided new tax incentives to encourage employers to hire people from wel-

fare. Today I am very proud to be able to tell you that all 50 States and the District of Columbia have now met the work requirements for the percentage of people on welfare in their States that have to be in work that we set in 1996. Every single State is in compliance.

The welfare rolls have been cut in half; they're at their lowest level in 32 years. And those who are on welfare today are 4 times as likely to work as when I took office. Now, while some of the credit, doubtless, goes to our booming economy, the Council of Economic Advisers recently did a study for me which found that welfare reform, with its new emphasis on work, has been the single most important factor in reducing the rolls. Three-quarters of the 6.8 million people who have left welfare since I took office did so after welfare reform was signed in 1996. And many who left before did so under the reform efforts adopted by the States.

The credit goes to all of you in this audience and people like you across our country. When we passed the law in '96, I said moving Americans from welfare to work would take the commitment of every element of our society, not just Government but businesses, faith-based organizations, community groups, and private citizens. The Vice President has done a tremendous job of bringing our religious and service organizations together in his coalition to sustain success. And in 1997, as I said, my long-time friend Eli Segal agreed to help to rally the business community and you know the rest. Today, he, Gerry Greenwald, and the other founders have built a partnership that is 12,000 businesses strong.

Members of this welfare to work partnership, businesses both large and small, have given—listen to this—just the members of this partnership have given 410,000 welfare recipients the opportunity to have a job. More than 8 in 10 executives report great success in hiring people off welfare rolls. They're finding these employees are a good investment. They work hard; they stay in their jobs as long or even longer than other employees. And in this era of labor shortages, we must not forget that welfare recipients can be a rich pool of untapped talent, people who are good for the bottom line. I thank